

# THE RHODESIAN JOURNAL

of

## ECONOMICS

*The Journal of the Rhodesian Economic Society*

Editorial Board:

A. M. Hawkins (Editor), M. S. Brooks, M. L. Rule and P. Staub.

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# THE RHODESIAN JOURNAL OF ECONOMICS

**Value Added Taxation**

**The Case for a Rhodesian Gold Subsidy**

**Sterling Devaluation: Its Implications for Rhodesia and neighbouring countries**

**Farm Economics with particular reference to Farm Management**

**M. L. Rule**

Mr. Rule, a former Federal civil servant is economist with the Industrial Development Corporation of Southern Rhodesia.

**R. S. Walker**

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Mr. Harrison is Senior Farm Management Economist at the Rhodesia National Farmers' Union.

# **FARM ECONOMICS WITH PARTICULAR REFERENCE TO FARM MANAGEMENT<sup>1</sup>**

**J. E. HARRISON**

I should like to commence by quoting briefly from Sir Miles Thomas's biography—a quotation I consider important because it was made by one of the leading business managers of the twentieth century. "My farming venture in Southern Rhodesia provided nothing but headaches. After several years of farming at Fort Victoria I came firmly to the conclusion that whatever else can be done by remote control, farming certainly cannot. It needs the constant and regular attention of the owner to fortify the administration of the manager. The best fertilizer for any farm is still the farmer's boot." I hope you will see how much I agree with Sir Miles.

As economists we are, presumably, interested in seeing that the best use is made of all available resources in the field in which we work. As a farm management economist I have two targets to aim for (1) the best use of available resources in achieving production, and (2) maximization of farmers' profitability. Unfortunately, these two aims are not necessarily compatible, and since my obligation is to the farmer in the first place, my main aim is therefore that of the individual farmers' profitability.

If farmers were all economists and if, most unlikely, these economists all had the same idea of the interpretation of prevailing input and output prices and supply and demand curves, then of course the two targets mentioned would coincide. Unfortunately, few farmers are economists and those that are don't agree with one another anyhow, and more important, neither Government, producer organization, Land Bank, Commercial Banks nor most other bodies connected with agriculture carry out the degree of planning necessary to determine what is the correct level of agricultural production, nor what is the right price level to achieve this. In my opinion and experience national planning in agriculture is no better than the individual farmer's planning, and much criticism of farmers is mis-directed and should be aimed at the Ministry of Agriculture and others. This position is not, of course, peculiar to Rhodesia only, but applies to many other countries as well.

Change is one of the more persistent forces in our society. Farming has always been involved in the process of adjustment to economic growth and changing conditions. The basic problems of commercial agriculture stem from

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1. *Paper read to the Society in November, 1966.*

national economic growth and the resulting changes in the relative prices of resources. They are long term problems. And long run policies are urgently needed not only to provide actual solutions to the commercial farm problem, but also to solve the parallel problems of the rural community, and those sectors of the urban community serving agriculture. In no country could this be more true than in Rhodesia today.

### **Farm Management Advisory Work**

Before I develop this rather tempting theme in more detail I had better say a little about farm management advisory work. Considering the amount of money that Governments spend on agriculture throughout the world, it is very surprising how recent the development of farm management advisory work has been. There are two major reasons for this, firstly, until about the middle 50's no University degree courses in agriculture paid much attention to economics or farm management and so the products of these courses had no great interest or knowledge of the subject, and secondly, Governments seldom found the time, nor had they the inclination, to enquire into the economic results of the various services they provided freely to the farming community. Perhaps the position is best described as follows by a British District Advisory Officer way back in about 1955. "The attraction of confining advice to technical matters is that the adviser can absolve himself from all responsibility for the subsequent results providing the technical content of his advice is sound."

Almost a revolution has taken place over the past decade and one will find very few people indeed today with this outlook. Unfortunately, however, tradition dies hard and because of the individualism of farmers— and of Ministers for that matter—it could not be claimed that farm management is playing the part that it should be playing in improving the farmers' and the country's prosperity.

A major error was committed initially in attempting to persuade the farmer that he could be a good accountant as well as a good farmer. In a mild way I have certainly been guilty of this fault myself. Most elaborate recording books have been devised by various bodies for farmers to keep, and from which to calculate various standards. However, over the years few farmers, not unnaturally, have shown the ability to both keep such records correctly and to interpret them. Farmers are now, generally speaking, quite rightly classified as non-starters in this particular field and treated as being similar to other business people who employ business consultants, (although rather less inclined to pay for these services.)

Compared to British and American farmers, Rhodesian and Zambian farmers were late starters in the management field and they have had the

advantage of being able to learn from other people's mistakes. University departments of Agriculture in Britain in a few centres introduced economists on to their strength as long ago as 1920 but little conscious farm management advisory work was carried out until the mid 50's. The lack of importance placed upon this by universities is made plain by the fact that most economists in the early days carried out their work on push bikes. In fact, even as late as 1946 when I first started work at Manchester University, my vehicle was a push bike and not a motor car. Since then the strides made have been considerable and Government agricultural advisory officers are all now supposed to be qualified to give management advice. In the intervening 30 odd years considerable sums of money were spent—by this I mean millions of pounds—in providing agricultural technical services and staffing agricultural economics departments. The latter produced scores of well written reports dealing with various financial aspects of British farming, mostly on an enterprise and whole farm basis, but remarkably few farmers ever read them or even knew of the existence of agricultural economists. A small nucleus of farmers co-operating in these surveys did appreciate their value and from this the present management advisory services grew.

### **Farm Management Development in Rhodesia**

In Rhodesian and Zambia the history has been much shorter. Shortage of qualified staff has been so severe that only a limited number of economic reports have been produced, although Government's intention in the Federal days was certainly aimed at developing the British pattern of regular surveys. Both Government and farmers' leaders appreciated some 5 or 6 years ago the need for a management service to be provided for the industry. This appreciation I consider to be most commendable since it was made at a time when profits were apparently still continuing to rise and it is obvious, therefore, that the individuals concerned appreciated that hard times were just around the corner. The fact that management advice has developed as a Farmers' Union service rather than as a University or Government service—the typical U.S.A. and U.K. pattern—should not be viewed as a criticism of either of these bodies. Rather the farming community should be congratulated for appreciating its needs, and strangely being prepared to pay for them. This at least should help to disprove the theory that farmers always want something for nothing. As a result of British and American experience, in the short period of five years we have been able to establish an advisory service using techniques quite as modern as those found elsewhere in the world. Whilst it took many years to move into gross margin techniques in management in the U.K., we were able to introduce these as soon as sufficient input/output data were available. In addition, we are running the most comprehensive computer based accounting service to be found anywhere in the world. At

a very low fee this provides farmers with two-monthly and annual accounts on an enterprise basis, together with comparative statistical data.

It proved absolutely essential to introduce this service because of the shortage of management specialists to analyse farmers' balance sheets, which is a time consuming task and at best only produces second-rate information. Collection of standard data is an even more onerous task and this can only be kept up-to-date by traditional methods at very great expense. The popularity of the computer service has very much gratified us and once again indicates that the average farmer in Rhodesia does appreciate that farming is a business.

This is important because there is a feeling that the average farmer does not appreciate this—if the Rhodesia Herald and Property and Finance are to be believed. Having worked in the management field in both Britain and Rhodesia I have no doubt which country's farmers are the more business-like. No other country in the world has such a high proportion of its farmers participating in a management accounting service as Rhodesia. In England I found that 10% of the farmers I did management work for could be expected to implement the advice given in full. Here the figure must be more than 50% though I must be fair and admit that one probably sees the better farmers first. However, this favourable response does have its dangers. In Britain one could safely give advice to 10 dairy farmers to increase their cow numbers knowing that not more than 1 in 10 would do so, and thus any increase in production would not affect national production and prices. To give this sort of advice generally in Rhodesia would be catastrophic since so many farmers would implement it that many would suffer from reduced market prices.

Agriculture, more than any other industry, seems to lend itself to protestations by cranks or at any rate people with queer ideas. There is of course first of all the "way of life" theory by which it is suggested farming should not be looked upon as a business, but as a way of living pleasantly, or keeping up the traditions of the countryside. Personally, I consider that even in the older countries this idea has never had much validity—in Rhodesia it is just madness to assume it ever existed. Sometime ago, a prominent member of the staff of the Department of Conservation and Extension gave much publicity to the suggestion that land is a long term investment, and that the value of it should not be taken into account when calculating the capital that a farmer has invested in his business, and in assessing interest charges. To my way of thinking this is a completely non-tenable idea, and of course recent variations in land prices shows how dangerous this system can be. It is probably true that land values will continue to rise, but this does not mean that an investor—business man—farmer—can afford to exclude its annual cost from his farm profit and loss account. As far as I am aware any other business takes into account the cost of land and buildings when deciding upon expan-

sion and more important when deciding what price to charge the public for its product.

### **Pattern of Farm Incomes in Rhodesia**

It is true that farm incomes rose fairly steadily up to 1961. It is equally true that they have fallen steadily since that year, not just because of U.D.I. or sanctions, though obviously these will both have affected farm incomes appreciably. But of course simple figures of farm incomes—the rise from £1,200 per active farmer to £2,200 between 1954 and 1961, and the fall to £1,600 in 1966 do not tell the whole story. Over this period unit costs have risen appreciably and in terms of investment or return on capital, there has been a considerable deterioration since 1954. This is borne out by consulting the Land Bank and other Banks whose lending to agriculture has increased from £5 million to £20 million. No doubt some of this extra investment has been unwise—I for instance do not believe labour costs to be high enough yet to justify buying combine harvesters for maize. However, there is certainly no evidence that large sums of capital have been mis-invested.

Much play is made by onlookers of farmers' "inefficiency". I am the first one to admit that many farmers are very inefficient, and that every farmer could be more efficient. But the same could be said for any other industry. For proof of this one only has to study the tenders for various jobs given in *Property and Finance* every month. The variation between lowest and highest tenders frequently amounts to over 100% of the lowest tenders. I freely admit that different circumstances—fixed costs for instance—will probably account for part of these variations, but this is an argument that applies to farmers as well.

Farmers on the whole appreciate that if they produce more, then both their unit cost, and the price they will receive, are likely to fall. What they do not appreciate is why this argument does not also hold good for their suppliers. Farm production—in volume—has doubled over the past decade, and so also have farmers' demands for input items such as fuel and fertilizer. Farmers are expected to be efficient enough to accept lower prices—maize for instance has fallen from over 40/- to as low as 28/6 per 200 lb. bag—but there is no indication that suppliers in general have passed on very much in the way of their financial benefits accruing from greater efficiency.

Of course, at the present time this position is being aggravated. Farmers undoubtedly are having a fairly difficult time—a simple study of prices received this year for tobacco, maize, milk and beef, suggests that overall the industry will not make a vast profit though obviously some farmers will have done very well indeed. The overall position is partly the result of sanctions, but probably as much, if not more, the result of a series of serious



droughts. Membership of the Graylin Committee, and latterly the Technical Committee of the Agricultural Assistance Board, which examines requests by farmers who are in financial difficulties, has brought home to me the long term nature of farmers' impoverishment. Many farmers have been steadily losing money for five or six years and an easy solution to their problems is not apparent. Despite costs and conditions of production that were certainly not under the farmer's control, the lack of any appreciation of the farmer's position and the rank profiteering of some sections of commerce has been appalling. Obviously I can only quote examples, of which there are many, and I would not wish to criticise any particular branch of commerce although the machinery trade has certainly been singled out as the worst offender, not necessarily correctly.

### **Rise in Input Costs**

Two examples will suffice to indicate what is happening. Goods can be obtained from South Africa on C.O.D. up to £20. One spare part can be landed in this country for 18/7d. by this method, and adding on a reasonable percentage sells at 26/-. In fact this part retails at £4.13.11. Another part—Ford spare—actually can be imported for £4.7.0. from Canada, or for £3.15.0. from South Africa. It is retailed at £9.18.3. With this sort of blatant profiteering going on it is hardly surprising that farmers are demanding price control.

I accept that many branches of commerce are suffering severely at the present time and cannot therefore blame them for substantial price increases in order to try and meet their problems. But they, at the same time, should not blame farmers for wanting to keep prices down. It does of course explain the reason why some farmers in some areas have started up their own Co-ops, based on the type introduced in England a few years ago. Unfortunately the volume of seasonal credit required by most farmers has reduced their opportunity for cutting costs by paying cash and obtaining large discounts.

It is of course very easy to suggest that farmers should plan more wisely for increases in output rather than concentrating on, say, tobacco and maize as before. But all the economic evidence available suggests that in general farmers have been wise to streamline rather than to diversify production. Diversification is a word that has cost farmers a lot of money over the past few years, especially in groundnuts, soya beans, cattle and various seed crops as well as wheat.

Management, and we come back to Sir Miles Thomas here—depends upon the personal attention of the farmer and there is no doubt in my mind but that simplification pays in Africa. The size of farms and the problems that arise in labour management make it essential that the farmer should concentrate his attention on a very few large enterprises instead of a multi-

plicity of smaller ones. At present prices even concentrating upon maize production is likely to be far more profitable than growing soya beans and groundnuts and sorghum—all of which can be sold easily but which to date do not yield sufficiently well to guarantee comparable profits.

The assertion is made that farmers in general do not accept new ideas quickly enough and that they do not therefore accept the benefits of science to reduce costs. This is, of course, absolute rubbish and I think nearly every scientist in this country would agree with me. Farmers are almost too willing to accept new ideas, often before they have been thoroughly tested. Since in general with most other countries, our farm scientists here are not economists, many new ideas are implemented before a proper economic appreciation of them has been carried out. Both farmers and Government are at fault here and I believe this to be one area where tremendous improvements can be effected. Perhaps the best example I can give you of this is the high energy beef feeding affair. Henderson Research Station carried out some useful and interesting work on the feeding of large quantities of maize to feeding cattle. They showed that animals could be finished for slaughter at a very much earlier age by this system. Unfortunately the method received tremendous publicity, especially from one public figure who emphasized the value of selling maize through cattle at 50/- per bag instead of to the Grain Marketing Board at 30/- a bag. This statement was about the only attempt at an economic assessment ever made—and it was very far from being a correct one. In the event many farmers scoured the country for feeding cattle and poured thousands of bags of maize into the throats of cattle that never made profit. In almost every case the maize grower would have been better off simply selling his maize, and the country would not have lost a pound of beef, since the cattle would all have been fattened by traditional methods eventually.

### **Changing Demand Patterns**

In criticizing farmers for producing other than what the market requires it is often easy to ignore farmers' real problems in this sphere. Obviously this is a problem that faces management advisors as well. Two examples will serve to indicate the problems that exist—although I am not suggesting farmers are unique in facing such problems, they themselves as individuals are usually far too small to be able to implement or influence any trial. Ten years ago the most profitable tobacco producers in Rhodesia were probably on the Watershed—Wedza, Marandellas, Headlands. The buyers wanted clear, unspotted leaves. In one season they changed their demands and suddenly wanted spotted leaves, which aesthetically, look awful. So farmers who had made profits of £5,000 plus suddenly had to face almost poverty—and could do very little about it. After a couple of seasons, when they

realized the buyers now wanted Centenary tobacco rather than their's, they managed gradually to cut costs—and standards also—and to the extent that their small farms permitted, to branch into cattle.

Many did not survive, others of course did. In recent years quite a lot of farmers have branched into fruit, flower and vegetable production for the Covent Garden market. This is, as you will appreciate, a high cost industry with the prospect of high returns if one's production happens to coincide with shortages on the British market. In 1965, quite unexpectedly, the British Chancellor of the Exchequer introduced a 15% surcharge on to virtually all imports. This had tremendous repercussions for Rhodesian producers, since few products especially designed in time and quality for Covent Garden can be switched to other markets overnight.

### **Low Profitability in Agriculture**

Farming is one of the country's major industries, yet most farmers earn relatively little compared to their investment and contribute very little in the form of income tax to the national exchequer. In fact since 1962 about 40% of farmers have been making tax losses. Forgetting the temporary effect of low sugar and tobacco prices, is there really anything that can be done about getting the industry on a more profitable basis? I should like to devote a little time to a discussion of the overall agricultural problem which is, of course, very pertinent to my work as a management adviser. Mention of the financial position of major farm products in this country at the present time will serve to illustrate the seriousness of the problems.

Tobacco, until two years ago, has been reasonably profitable and the less said about this at present probably the better.

Cotton is a crop which has been, and looks likely to continue to be quite profitable and scope for its production is increasing. Since most exports are, however, to South Africa, it would be dangerous to overlook the fact that that country can increase its own cotton production considerably.

Maize, which has been the most important cash crop in the country as well as the major food crop (for both animal and human), is decidedly marginal at the present time. It is generally accepted that total growing costs average £24 per acre, and at a price of 30/- a bag, a highly unlikely figure in the future, profits are not likely to be high in view of the fact that a yield of 16 bags per acre is required to break even. The highest national average yield so far in Rhodesia is 14.6 bags per acre (excluding the 1966/67 season for which data have not been published).

I have suggested ever since being in Rhodesia that beef production is only a low profit enterprise and I have yet to find much evidence to suggest

that in general this can be doubted. Milk prices to the farmer have fallen by almost 20% in the past seven years, whereas the cost of production has risen by 10%. Although the consumer price has risen from 7d. to 9d. per pint, there is not much profit made from milk at the present time.

I think I have indicated already that I believe the average farmer to be reasonably efficient, and their interest in management advice commendable. Of course a majority of farmers still do not use their farm accounts as a management tool, nor do they budget carefully at the beginning of every year, or for changes in organization. However, they are improving, and as younger and better educated (in this particular field) farmers and advisors take over, the improvement should be speeded up.

### **Need for a Long Term Plan**

Although change will always be with us, I believe that the immediate essential for more profitable farming is production of a long term plan that will embrace not only what needs to be produced but also how it should be produced. This will then determine the needs for research, for capital, and for the use of various areas of the country. At the moment, with no real national plan, both farmers and the Government are liable to waste money and far too much is being left to luck. I should emphasize at once that I am not advocating subsidies of any kind, at least certainly not on a long term basis. In a country like Rhodesia obviously the finance available for subsidies is very limited and vested interests are likely to result in whatever little money is available being used in the wrong way. With subsidies amounting to £300 million a year in Britain, it can hardly be said that farmers today are better off than they were 20 years ago. A certain amount of limited financial aid to the industry may be necessary before a plan can be implemented. However, I do not believe that the task need take a very long time if the best brains available are put to use. So much ground work has already been done—the Phillips Report for instance—that there is no need for this to be duplicated.

A look at the various factors involved in making a plan succeed should help to show what I am envisaging. First then, research. Considering the size of the farming community I have always marvelled at the number of experimental stations in Rhodesia, and there is no doubt that they produce a wealth of information. I am, however, less certain that they are devoting sufficient on their available resources—and this includes the specialists themselves—in the right directions. As far as the production of maize and wheat seed varieties are concerned, there is no doubt that the achievements have been great. But, with the exception of the Pig Industry Board farm, I believe what has been achieved in the livestock field has been very disappointing

indeed. For instance, there is only one thing needed in the beef industry today—and that is more beef animals. I can find no justification for investing any money into any other aspect of the beef industry than breeding at the present time. With a European national calving average of less than 50%, the industry is virtually static. Yet we can sell virtually all the beef we produce at the present time, and as far ahead as we can plan for, (although not of course at a fixed price). Of course, more has been sold in the past three years abroad, because many cattle have been fed at two years instead of at four years, but this is an advantage which obviously will not continue. A crash programme is obviously needed to discover how the calving percentage can be raised to say, 75% albeit economically. Although I favour independence of research work if this is feasible, it seems to me at the moment that this is just not practical or sensible. I see nothing particularly dishonest in scientists in, say a fertilizer firm, working to increase the company's sales, as long as these are economically advantageous to the farmer. Likewise when public money is being spent on Ministry, University and College farms, then it does seem reasonable to look for an economic return.

### **Role of Capital**

Capital is a factor of considerable importance in the implementation of any plan. Although I would not necessarily assert that the supply of capital has been a major factor in producing the current position of the industry, there is no doubt that the present system of distribution of capital leaves a lot to be desired. In recent years farmers have been borrowing about £20 million annually, supplied approximately by the Land Bank, £2½ million; Commercial Banks, £11 million; and Commerce, £6 million. In addition, the Land Bank has lent about £6 million on long term projects of various kinds. At the same time a Land Settlement policy has made it easy for farmers to get on to the land with remarkably small amounts of their own capital. This is alright at a time of continuing prosperity—up to 1962 say, but is liable to fail at a time when farm profits are falling. Although the Land Bank generally lends money in relation to the farmer's ability—if this can be discerned—there is less evidence that other lenders do. This applies specially to commerce and hire purchase agencies, who recognizing this, quite rightly charge fairly high rates of interest. However, in any one period there must be a ceiling to the amount of capital available and there is little doubt but that more Bank lending, and less commercial lending would be preferable for all concerned. Usually it is reasonable to assume that when banks lend money they will discover how it is to be used, and when a return can be expected. Commerce usually has insufficient knowledge of the farmer to be able to carry out this sort of exercise, and frequently is not the least bit interested in doing it in any case. This is particularly true of the salesman

who obtains commission on his sales, and is responsible for the bad hire purchase record of the farming industry. Agriculture is not over capitalized, unless one is judging solely on the basis of return of capital, but there is certainly considerable mis-investment. Of course not only the farmers are at fault here—much of the investment in the Lowveld is suspect to my way of thinking. On this score at least the R.N.F.U. and in particular my Department have a very clean record since we consistently argued against settler participation in the sugar scheme, and the terms laid down for tenure. The various loan schemes to African farmers, particularly through A.L.F. and A.F.D. have shown that under good management the return on investment in African farming can be phenomenal and result in considerable repercussion throughout the country. Of course it is extremely easy to be critical after investment has been completed and there is no doubt that lack of time, and staff available have often prevented a thorough investigation being completed before capital is allocated. Although I do not necessarily favour the establishment of authorities of the nature of the Sabi Limpopo Authority, there is no doubt but that this body is doing a good job. Part of its investment may be open to criticism but at least it is achieving something and carrying out the sort of economic investigations before development that are essential if this is to be sound. What is not being asked at the present time is "Where it is best for national investment in agriculture to be made; at for instance, Chiredzi or Hartley, Beitbridge or Chirundu?"

A study of the Government Estimates of Expenditure indicate the value placed upon agriculture by the Government. In 1965/66 expenditure of the Ministry of Agriculture, including loans, amounted to over £5 million, together with at a guess at least another £1½ million for water development and expenditure in the Department of Lands, and Internal Affairs or Agriculture. I am not the first one to point out the folly of administering the country's major industry under several Ministries. Obviously if a national plan for the industry is drawn up, and to be implemented successfully, then the complications of dealing with different Ministries need to be avoided at all costs. The little that I have had to do with settlement schemes has convinced me that the present system leads only to excessive cost, time wasting and frustration. Let me at the same time admit that I am not necessarily certain that the organization in the field of Farmers' Associations, I.C.A. Committees and so on, are all that efficient at the present time, there being far too much overlapping by the few people prepared to serve on local committees.

## Marketing

Formation of a national plan should enable disposal or marketing of produce to be conducted far more advantageously with the type of central marketing agency now established by the Minister of Agriculture. A lot

of farmers and other people have spent a good deal of time, with little personal return or kudos in the various marketing bodies. If the right people have been chosen for the Agricultural Marketing Authority and advance planning can be carried out with the knowledge of what an agricultural plan be expected to produce, then it should be feasible for the present position to be improved upon considerably. Too much is left to chance at the moment—the chance that an individual can successfully find a new market and exploit it for instance. TEPCORN has shown what can be done for one industry, and a similar organization should be able to achieve similar benefits for farming as a whole. It is suggested in some quarters that farmers would never accept the sort of control required if a national plan is to be implemented successfully. I do not accept this, if the plan is a sound one, since as I have already indicated, I believe farmers today to be businessmen. They are quite prepared to follow a lead if given one, but naturally expect assistance if for any reason the plan fails. Government should surely not object to this since at present it finds itself liable to assist farmers irrespective of whether the farming system they follow is really sensible or desirable from the country's point of view. In all this I am not advocating any additional spending by Government in the sphere of agriculture. I am fairly certain that in total Government is spending quite as much as is necessary, but it may be spending it in the wrong way in some respects.

## Conclusions

I have attempted to survey the economic position of agriculture in Rhodesia primarily from the viewpoint of the farm management economist. Accepting the great importance of the industry to the whole community, I nevertheless feel that less attention to tradition and a greater willingness to look further ahead than just the next season is essential, not perhaps so much by farmers themselves but more by many of the bodies supposedly serving them. Short run policies have little virtue for an industry like agriculture.

Since I have been talking mainly about farm management, a brief word about the organization of farm management activities in Rhodesia would not be out of place. Initially, in a country with no farm management facilities whatsoever, there was no harm in combined advisory/research departments being established in both the Farmers' Union and the Ministry of Agriculture, both without any direct connection with the University. Now that farm management has become quite definitely established as part of the accepted advisory services in the country, it is essential that there should be no duplication of activities nor competition between individual bodies and that the greatest co-ordination should exist between research

workers in this field and degree courses in agriculture at the University. It would be wise, therefore, to look for some form of joint organization which could co-ordinate the activities of the three different organizations working in this field under the administration of one unit which could be concerned with teaching, research and farm advisory work.

Salisbury.





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